

2012 Montgomery County Property Tax Report with Comparison to 2011

Legislative Services Agency

September 2012



This report describes property tax changes in Montgomery County between 2011 and 2012.

In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Montgomery County the average tax bill for all taxpayers decreased by 0.9%. This tax bill fall was mainly the result of the 1.7% decrease in the tax levy of all local government units. Montgomery County certified net assessed value increased 5.2%, mostly due to rising agricultural and business net assessments. Homestead and other residential assessments declined, which may have been a legacy of the recession. Falling levies and rising assessed values caused tax rates to fall in almost all Montgomery County tax districts, which decreased tax cap credits. Credits as a percent of the levy fell by 1.2% in Montgomery County in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	-0.9%	\$41,072,426	\$1,946,532,263	6.4%
Change		-1.7%	5.2%	-1.2%
2011	11.8%	\$41,778,646	\$1,850,460,534	7.6%

Homestead Property Taxes

Homestead property taxes decreased 13.5% on average in Montgomery County in 2012. Tax rates decreased in almost all of Montgomery County's tax districts. The county average tax rate fell by 6.5%. Homestead assessments also fell, which added to the effect of lower rates on homestead tax bills. Montgomery County's local homestead credit is so large that no homesteads qualified for tax cap credits in 2011 or 2012.

Comparable Homestead Property Tax Changes in Montgomery County

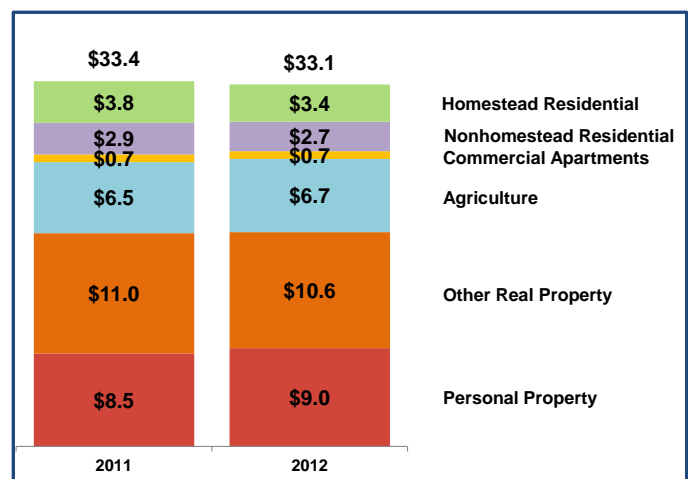
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	1,672	15.2%
No Change	397	3.6%
Lower Tax Bill	8,960	81.2%
Average Change in Tax Bill	-13.5%	
Detailed Change in Tax Bill		
20% or More	743	6.7%
10% to 19%	218	2.0%
1% to 9%	711	6.4%
0%	397	3.6%
-1% to -9%	1,251	11.3%
-10% to -19%	5,725	51.9%
-20% or More	1,984	18.0%
Total	11,029	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

Most of Montgomery County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal) and by owners of agricultural property. Net tax bills for all taxpayers decreased 0.9% in Montgomery County in 2012. Net taxes were especially lower for homesteads and were lower for nonhomestead residential property (mostly rental housing and second homes) and other real property. Personal property, agricultural property, and commercial apartment net taxes increased.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates decreased in almost all Montgomery County tax districts. The average tax rate fell by 6.5%, because of a levy decrease and an increase in net assessed value.

Levies in Montgomery County decreased by 1.7%. Crawfordsville Community School Corporation experienced large decreases in its capital projects, bus replacement, and debt service funds. The largest levy increase was in the city of Crawfordsville, which had an increase in its motor vehicle highway fund.

Montgomery County's total net assessed value increased 5.3% in 2012. Agricultural net assessments rose 13.8%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Business, homestead, and other residential gross assessments fell. This decline may have been a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$1,158,685,324	\$1,150,810,479	-0.7%	\$432,207,339	\$427,708,051	-1.0%
Other Residential	174,161,289	172,361,900	-1.0%	173,711,300	171,862,194	-1.1%
Ag Business/Land	420,321,901	478,644,896	13.9%	419,799,201	477,792,926	13.8%
Business Real/Personal	1,183,338,010	1,176,353,193	-0.6%	859,553,746	907,635,243	5.6%
Total	\$2,936,506,524	\$2,978,170,468	1.4%	\$1,885,271,586	\$1,984,998,414	5.3%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Montgomery County were \$2.7 million, or 6.4% of the levy. This was less than the state average percentage of the levy of 9.2%, but more than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Montgomery County's tax rates were lower than the state average but higher than the state median.

More than half of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 3% business real and personal property category. Montgomery County had no tax cap credits in the 1% homestead category because its large local homestead credits reduced homeowner tax bills substantially. The largest percentage losses were in the city of Crawfordsville and the Crawfordsville School Corporation, where the district tax rate exceeded \$3 per \$100 assessed value. The largest dollar losses were in the city of Crawfordsville, the Crawfordsville School Corporation, and the county unit.

Tax cap credits decreased in Montgomery County in 2012 by \$540,936, or 16.4%. The percentage of the levy lost to credits fell by 1.2%. There were no major changes in state policy to affect tax cap credits in 2012. Montgomery County credits decreased mainly because most district tax rates decreased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$0	\$0	\$0	0.0%
2%	1,691,648	1,539,293	-152,355	-9.0%
3%	1,393,214	1,052,964	-340,251	-24.4%
Elderly	204,692	156,362	-48,331	-23.6%
Total	\$3,289,554	\$2,748,619	-\$540,936	-16.4%
% of Levy	7.6%	6.4%		-1.2%

Montgomery County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
	2008	2009	2010	2011	2012	2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
County Total	56,939,232	35,445,236	39,461,256	41,778,646	41,072,426	-37.7%	11.3%	5.9%	-1.7%
State Unit	47,454	0	0	0	0	-100.0%			
Montgomery County	9,453,161	5,900,022	7,206,837	8,232,699	7,971,049	-37.6%	22.1%	14.2%	-3.2%
Brown Township	46,206	58,592	63,079	50,164	59,440	26.8%	7.7%	-20.5%	18.5%
Clark Township	31,982	32,499	33,680	34,656	35,803	1.6%	3.6%	2.9%	3.3%
Coal Creek Township	91,822	101,959	104,378	81,416	60,492	11.0%	2.4%	-22.0%	-25.7%
Franklin Township	31,442	30,386	32,031	32,882	33,154	-3.4%	5.4%	2.7%	0.8%
Madison Township	131,681	139,263	145,366	117,201	113,415	5.8%	4.4%	-19.4%	-3.2%
Ripley Township	51,737	107,241	72,779	33,157	42,916	107.3%	-32.1%	-54.4%	29.4%
Scott Township	31,692	32,517	33,829	34,010	32,209	2.6%	4.0%	0.5%	-5.3%
Sugar Creek Township	18,069	18,613	19,300	19,793	19,447	3.0%	3.7%	2.6%	-1.7%
Union Township	500,364	490,292	510,929	508,015	515,409	-2.0%	4.2%	-0.6%	1.5%
Walnut Township	35,085	34,968	35,920	22,232	22,421	-0.3%	2.7%	-38.1%	0.9%
Wayne Township	69,351	75,149	36,774	37,694	38,646	8.4%	-51.1%	2.5%	2.5%
Crawfordsville Civil City	7,441,264	6,514,365	7,304,911	7,509,752	7,741,380	-12.5%	12.1%	2.8%	3.1%
Alamo Civil Town	5,045	4,408	5,058	5,045	4,070	-12.6%	14.7%	-0.3%	-19.3%
Darlington Civil Town	72,224	70,184	73,491	76,344	78,547	-2.8%	4.7%	3.9%	2.9%
Ladoga Civil Town	112,874	146,417	155,061	158,819	162,534	29.7%	5.9%	2.4%	2.3%
Linden Civil Town	72,711	59,618	41,732	72,963	72,650	-18.0%	-30.0%	74.8%	-0.4%
New Market Civil Town	49,942	47,047	50,961	52,238	54,055	-5.8%	8.3%	2.5%	3.5%
Waveland Civil Town	27,791	28,949	30,064	30,726	30,696	4.2%	3.9%	2.2%	-0.1%
Waynetown Civil Town	71,369	73,065	75,553	77,375	82,586	2.4%	3.4%	2.4%	6.7%
Wingate Civil Town	53,288	47,019	47,018	46,885	54,225	-11.8%	0.0%	-0.3%	15.7%
New Richmond Civil Town	58,523	61,598	63,939	55,883	67,702	5.3%	3.8%	-12.6%	21.1%
New Ross Civil Town	28,474	29,386	30,335	30,989	32,065	3.2%	3.2%	2.2%	3.5%
North Montgomery Community School Corp	11,442,464	6,085,075	6,119,137	6,212,399	6,073,247	-46.8%	0.6%	1.5%	-2.2%
South Montgomery Community School Corp	12,290,008	7,766,421	7,751,485	8,306,850	8,210,309	-36.8%	-0.2%	7.2%	-1.2%
Crawfordsville Community School Corp	12,699,664	5,684,750	7,594,478	7,992,728	7,582,331	-55.2%	33.6%	5.2%	-5.1%
Crawfordsville Public Library	1,682,119	1,505,790	1,509,921	1,632,322	1,555,197	-10.5%	0.3%	8.1%	-4.7%
Darlington Public Library	54,179	55,136	58,459	60,032	61,897	1.8%	6.0%	2.7%	3.1%
Ladoga Public Library	41,797	44,056	45,584	46,947	48,399	5.4%	3.5%	3.0%	3.1%
Linden Public Library	133,168	135,694	141,964	139,442	147,140	1.9%	4.6%	-1.8%	5.5%
Waveland Public Library	62,282	64,757	67,203	66,988	68,995	4.0%	3.8%	-0.3%	3.0%
West Central Indiana Solid Waste Mgmt	0	0	0	0	0				
Crawfordsville Redevelopment Commission	0	0	0	0	0				

Montgomery County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates					Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
54001	Brown Township	1.6263	2.8176%	--	7.2064%	--	57.5670%	--	0.5271
54003	Brown Township-LR Conservancy	1.6263	2.8176%	--	7.2064%	--	57.5670%	--	0.5271
54004	New Market Town-Brown Township	2.1272	2.8176%	--	7.2064%	--	57.5670%	--	0.6894
54005	Waveland Town	1.9891	2.8176%	--	7.2064%	--	57.5670%	--	0.6446
54006	Waveland Town-LR Conservancy	1.9891	2.8176%	--	7.2064%	--	57.5670%	--	0.6446
54007	Clark Township	1.5786	2.8176%	--	7.2064%	--	57.5670%	--	0.5116
54009	Ladoga Town	2.4039	2.8176%	--	7.2064%	--	57.5670%	--	0.7791
54011	Coal Creek Township	1.2946	2.8176%	--	7.2064%	--	57.5670%	--	0.4196
54012	Wingate Town	2.2466	2.8176%	--	7.2064%	--	57.5670%	--	0.7281
54013	New Richmond Town	2.7317	2.8176%	--	7.2064%	--	57.5670%	--	0.8853
54014	Franklin Township	1.3420	2.8176%	--	7.2064%	--	57.5670%	--	0.4349
54015	Darlington Town	1.9631	2.8176%	--	7.2064%	--	57.5670%	--	0.6362
54016	Madison Township	1.4417	2.8176%	--	7.2064%	--	57.5670%	--	0.4672
54017	Linden Town	2.0051	2.8176%	--	7.2064%	--	57.5670%	--	0.6498
54018	Ripley Township	1.5515	2.8176%	--	7.2064%	--	57.5670%	--	0.5028
54019	Alamo Town	1.9294	2.8176%	--	7.2064%	--	57.5670%	--	0.6253
54020	Scott Township	1.5158	2.8176%	--	7.2064%	--	57.5670%	--	0.4913
54022	New Market Town-Scott Township	2.0282	2.8176%	--	7.2064%	--	57.5670%	--	0.6573
54023	Sugar Creek Township	1.2666	2.8176%	--	7.2064%	--	57.5670%	--	0.4105
54024	Union Township-N Montgomery School	1.4171	2.8176%	--	7.2064%	--	57.5670%	--	0.4593
54025	Union Township-S Montgomery School	1.6504	2.8176%	--	7.2064%	--	57.5670%	--	0.5349
54027	Union Township-Crawfordsville School	2.4146	2.8176%	--	7.2064%	--	57.5670%	--	0.7825
54028	Crawfordsville City-N Montgomery School	2.6448	2.8176%	--	7.2064%	--	57.5670%	--	0.8572
54029	Crawfordsville City-S Montgomery School	2.8781	2.8176%	--	7.2064%	--	57.5670%	--	0.9328
54030	Crawfordsville City-Crawfordsville School	3.6423	2.8176%	--	7.2064%	--	57.5670%	--	1.1804
54031	New Market-Union Township	2.1731	2.8176%	--	7.2064%	--	57.5670%	--	0.7043
54032	Walnut Township	1.4941	2.8176%	--	7.2064%	--	57.5670%	--	0.4842
54034	New Ross Town	2.1439	2.8176%	--	7.2064%	--	57.5670%	--	0.6948
54036	Wayne Township	1.2804	2.8176%	--	7.2064%	--	57.5670%	--	0.4150
54037	Waynetown Town	1.9711	2.8176%	--	7.2064%	--	57.5670%	--	0.6388

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Montgomery County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	0	1,503,014	928,340	147,823	2,579,177	41,072,426	6.3%
<i>TIF Total</i>	0	36,279	124,624	8,539	169,441	1,626,540	10.4%
<i>County Total</i>	0	1,539,293	1,052,964	156,362	2,748,619	42,698,966	6.4%
Montgomery County	0	174,632	104,372	23,847	302,851	7,971,049	3.8%
Brown Township	0	2	0	78	80	59,440	0.1%
Clark Township	0	329	0	67	396	35,803	1.1%
Coal Creek Township	0	110	0	46	157	60,492	0.3%
Franklin Township	0	0	0	50	50	33,154	0.1%
Madison Township	0	0	0	55	55	113,415	0.0%
Ripley Township	0	0	0	90	90	42,916	0.2%
Scott Township	0	0	0	31	31	32,209	0.1%
Sugar Creek Township	0	0	0	9	9	19,447	0.0%
Union Township	0	8,895	5,352	1,807	16,054	515,409	3.1%
Walnut Township	0	12	0	32	44	22,421	0.2%
Wayne Township	0	0	0	134	134	38,646	0.3%
Crawfordsville Civil City	0	515,026	323,975	35,403	874,404	7,741,380	11.3%
Alamo Civil Town	0	0	0	1	1	4,070	0.0%
Darlington Civil Town	0	0	0	384	384	78,547	0.5%
Ladoga Civil Town	0	8,835	0	1,015	9,850	162,534	6.1%
Linden Civil Town	0	0	0	201	201	72,650	0.3%
New Market Civil Town	0	462	0	394	857	54,055	1.6%
Waveland Civil Town	0	0	0	109	109	30,696	0.4%
Waynetown Civil Town	0	0	0	539	539	82,586	0.7%
Wingate Civil Town	0	1,176	0	88	1,264	54,225	2.3%
New Richmond Civil Town	0	3,730	0	156	3,887	67,702	5.7%
New Ross Civil Town	0	379	0	285	665	32,065	2.1%
North Montgomery Community School Corp	0	21,005	0	15,582	36,587	6,073,247	0.6%
South Montgomery Community School Corp	0	15,482	0	13,621	29,104	8,210,309	0.4%
Crawfordsville Community School Corp	0	699,509	461,991	47,353	1,208,852	7,582,331	15.9%
Crawfordsville Public Library	0	52,733	32,650	6,028	91,410	1,555,197	5.9%
Darlington Public Library	0	0	0	110	110	61,897	0.2%
Ladoga Public Library	0	686	0	114	800	48,399	1.7%
Linden Public Library	0	0	0	71	71	147,140	0.0%
Waveland Public Library	0	9	0	122	132	68,995	0.2%
West Central Indiana Solid Waste Mgmt	0	0	0	0	0	0	
Crawfordsville Redevelopment Commission	0	0	0	0	0	0	
TIF - Crawfordsville -030	0	36,087	124,624	8,537	169,249	1,012,493	16.7%
TIF - Cville OS North - 028	0	191	0	0	191	343,129	0.1%
TIF - Pace - 028	0	0	0	0	0	144,074	0.0%
TIF - Nucor - South Union-025	0	0	0	0	0	121,253	0.0%
TIF - Nucor - North Union-024	0	0	0	2	2	824	0.2%
TIF - Nucor -Walnut-032	0	0	0	0	0	3,075	0.0%
TIF - Nucor-Franklin-014	0	0	0	0	0	1,692	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.